



Thursday, 28th November 2024

Inflation back in focus as Trumponomics looms large over global trade: experts

The inflation risk stalking the markets eased over the summer, but it never really went away. It's front and center again as investors contend with a Trumponomics crackdown on immigration, a rising trade-war risk and a potential bonanza of tax cuts, said experts.

(www.xinhuanet.com 27/11/24)

ECB's Lagarde urges Europe to negotiate, not retaliate on trade

European Central Bank President Christine Lagarde suggested European Union might be in a better position if it talks with the U.S. about potential trade tariffs instead of immediately imposing countermeasures. "We seem to err more on what I would call a checkbook strategy," she told the Financial Times in an interview published Thursday [28/11], highlighting that last time the EU's strategy was "not to retaliate, but to negotiate." (www.bloomberg.com 28/11/24)

Trump's budget plans push US government lawyers to private sector

Rank-and-file attorneys in the federal government fear major budget cuts when President-elect Donald Trump assumes office and are hunting for private-sector jobs in unusually high numbers, five legal recruiters told Reuters. Each new administration sparks an exodus of political appointees and other senior legal officials. (www.reuters.com 27/11/24)

China's property slump may extend into 2025, Fitch Ratings says

China's multiyear property crisis is set to drag on in 2025 as prices and sales remain weak despite the government's stimulus push to spur demand, according to Fitch Ratings. China's new home prices will fall by another 5% next year, as measured by China's official statistics bureau, or roughly at the same pace this year, said Wang Ying, managing director at Fitch in Shanghai. Wang expects new-home sales to decline another 10%.

(www.bloomberg.com 28/11/24)

Imported inflation waning but still present – BoE's Dhingra

Imported inflation in the UK, resulting from rising energy and food prices elsewhere in the world, has come down in 2024 but is still present, a member of the Bank of England monetary policy committee Swati Dhingra said, adding that the UK faced a much larger inflationary shock in 2022 than other European countries. (www.centralbanking.com 27/11/24)

German GfK consumer sentiment to deteriorate sharply

German consumer confidence is set to deteriorate at the end of the year as income expectations plunged to a 9-month low on growing fears of recession, a closely watched survey shows. The consumer sentiment index slid to -23.3 in Dec.; from revised -18.4 in Nov.; survey results jointly published by GfK and the Nuremberg Institute for Market Decisions reveal. (www.rtnnews.com 27/11/24)

Japan's Cabinet to approve \$92bn extra budget

Japan will lean heavily on extra tax revenue in a ¥13.9tr (\$92bn) additional budget to finance Prime Minister Shigeru Ishiba's stimulus package. The extra budget will partly be funded by ¥3.83tr in higher-than-expected tax receipts and unused funds from the previous year, limiting the need for additional bond issuance to ¥6.69tr. (www.bloomberg.com 28/11/24)

BOJ's retreat from low rates heightens Japan's debt troubles

The Bank of Japan's retreat from a decade-long radical stimulus is pressuring the government to rethink the way it funds its big spending packages with additional debt, a challenge made more daunting by political demands for permanent tax breaks. Prime Minister Shigeru Ishiba's administration plans to spend ¥13.9tr (\$92bn) for a package of steps to cushion the blow from rising living costs. (www.reuters.com 28/11/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2641	(1.2563)	1.2642	(1.2564)
+USD/EUR	1.0541	(1.0483)	1.0542	(1.0484)
*GHS/USD	15.4823	(15.6122)	15.4977	(15.6278)
*GHS/GBP	19.5711	(19.6136)	19.5922	(19.6348)
*GHS/EUR	16.3215	(16.3678)	16.3378	(16.3828)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 28/11/24 (Rates for 27/11/24 in brackets)

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French consumer confidence weakens to 90

France's consumer confidence worsened further in November to the lowest level in five months, monthly survey data from the statistical office INSEE showed on Wednesday [27/11]. The consumer sentiment index dropped to 90 in November from 93 in the previous month. Further, the index remained well below its long-term average of 100.

(www.rttnews.com 27/11/24)

Indian central bank to delay cutting rates to early 2025 amid inflation concerns: Reuters poll

The Reserve Bank of India (RBI) is set to hold interest rates on Dec.; 6 as a sharp rise in consumer inflation has led several economists in a Reuters poll to push back their forecasts for the first cut in the cycle by a couple of months to Feb. Annual retail inflation surged past the RBI's 6% tolerance ceiling in Oct.; driven by soaring food prices.

(www.reuters.com 28 /11/24)

S. Korea's household income keeps growing in Q3

South Korea's household income kept growing for the fifth successive quarter owing to higher earned income and a rapid increase in property income, statistical office data shows. On a nominal basis, the monthly average income per household with one or more family members rose 4.4% from a year earlier to 5,255,000 won (\$3,760) in the third quarter.

(www.xinhuanet.com 27 /11/24)

Australia capex value climbs 1.1% in Q3

The value of new capital expenditure in Australia was up a seasonally adjusted 1.1% on quarter in the third quarter of 2024, the Australian Bureau of Statistics said, coming in at A\$43.838bn. That beat forecasts for an increase of 0.9% following the 2.2% decline in the 3 months prior. (www.rttnews.com 27/11/24)

Poland jobless rate falls to 4.9%

The unemployment rate in Poland decreased slightly in October after remaining stable in the previous 2 months, figures from the statistical office shows. The jobless rate dropped to 4.9% in October from 5.0% in September. In the corresponding month last year, the unemployment rate was 5.0%.

(www.rttnews.com 27/11/24)

Asian stocks ease, dollar drifts ahead of US Thanksgiving

Asian shares fell on Thursday and the dollar firmed slightly as investors pondered U.S. data that showed progress in slowing inflation had stalled even as the economy remained resilient, while rising geopolitical worries kept risk sentiment in check. With the U.S. Thanksgiving holiday likely to keep trading thin for the rest of the week, traders remained hesitant about placing major bets. (www.reuters.com 28 /11/24)

Oil slips on US gasoline stocks buildup; traders eye weekend OPEC+ meet

Oil prices drifted lower today [28/11] after a surprise jump in U.S. gasoline inventories, with investors focusing on this weekend's OPEC+ meeting to discuss oil output policy. Brent crude futures fell by 20 cents to \$72.63 per barrel by 0717 GMT while U.S. West Texas Intermediate crude futures were down 21 cents at \$68.52 a barrel.

(www.reuters.com 28 /11/24)

Mozambique central bank cuts key rate for sixth time in 2024

Mozambique's central bank cut its main interest rate by 75 basis points on Wednesday [28/11], the sixth cut in a row, as inflation remains subdued in the southern African country. Inflation in Mozambique has remained below 3% since July, coming in at 2.68% year on year in October.

(www.reuters.com 27 /11/24)

Nigeria tightens policy further as inflation continues to rise

The Central Bank of Nigeria on Nov.; 26 raised its policy rate by another 25 basis points to 27.5%. The bank's monetary policy committee (MPC) also announced that it was maintaining the reserve ratios at 50% for depository institutions and 16% for merchant banks.

(www.centralbanking.com 27 /11/24)

Kenyan shilling weakens due to increased FX demand from manufacturers

The Kenyan shilling weakened slightly on Thursday[28/11], with traders attributing the depreciation to rising demand for the dollar from manufacturers and oil retailing companies. The shilling traded at 129.65/129.85 at 0748 GMT, compared to Wednesday's closing rate of 129.00/130.00.

(www.reuters.com 27 /11/24)